





Statutory Agent: Richard L. Sallquist  
(Name)  
2525 E. Arizona Biltmore Circle #117 Phoenix, AZ 85016-2129  
(Street) (City) (State) (zip)

602/224-9222 602/224-9366  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Richard L. Sallquist  
(Name)  
2525 E. Arizona Biltmore Circle #117 Phoenix, AZ 85016-2129  
(Street) (City) (State) (zip)

602/224-9222 602-224-9366  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO          |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE          |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL             |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA              |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

COMPANY NAME

White Hills Water Company, Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	\$10,114	\$6,068	\$4,046
302	Franchises			
303	Land and Land Rights	969	0	969
304	Structures and Improvements	2,575	2,575	0
307	Wells and Springs	37,976	16,902	21,074
311	Pumping Equipment	19,994	11,952	8,042
320	Water Treatment Equipment	0	0	0
330	Distribution Reservoirs and Standpipes	4,581	344	4,237
331	Transmission and Distribution Mains	23,318	12,987	10,331
333	Services	0	0	0
334	Meters and Meter Installations	6,843	1,938	4,905
335	Hydrants	185	14	171
336	Backflow Prevention Devices	0	0	0
339	Other Plant and Misc. Equipment	0	0	0
340	Office Furniture and Equipment	2,613	2,613	0
341	Transportation Equipment	0	0	0
343	Tools, Shop and Garage Equipment	0	0	0
344	Laboratory Equipment	0	0	0
345	Power Operated Equipment	0	0	0
346	Communication Equipment	0	0	0
347	Miscellaneous Equipment	2,500	1,500	1,000
348	Other Tangible Plant	0	0	0
	<b>TOTALS</b>	<b>111,668</b>	<b>56,893</b>	<b>54,775</b>

This amount goes on the Balance Sheet Acct. No. 108 

COMPANY NAME

White Hills Water Company, Inc.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Aect. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	10,114	20.00%	2,023
302	Franchises		0.00%	0
303	Land and Land Rights	969	0.00%	0
304	Structures and Improvements	2,575	0.00%	0
307	Wells and Springs	37,976	1.50%	570
311	Pumping Equipment	19,994	1.00%	200
320	Water Treatment Equipment	0	2.50%	0
330	Distribution Reservoirs and Standpipes	4,581	2.50%	115
331	Transmission and Distribution Mains	23,318	1.18%	275
333	Services	0	2.50%	0
334	Meters and Meter Installations	6,843	1.11%	76
335	Hydrants	185	2.50%	5
336	Backflow Prevention Devices	0	2.50%	0
339	Other Plant and Misc. Equipment	0	2.50%	0
340	Office Furniture and Equipment	2,613	0.00%	0
341	Transportation Equipment	0	20.00%	0
343	Tools, Shop and Garage Equipment	0	14.25%	0
344	Laboratory Equipment	0	14.25%	0
345	Power Operated Equipment	0	20.00%	0
346	Communication Equipment	0	14.25%	0
347	Miscellaneous Equipment	2,500	20.00%	500
348	Other Tangible Plant	0	14.25%	0
	<b>TOTALS</b>	<b>111,668</b>		<b>3,763</b>

This amount goes on Comparative Statement of Income and Expense Acct. No. 403

BALANCE SHEET

Acct. No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
<b>CURRENT AND ACCRUED ASSETS</b>			
131	Cash	\$ 993	\$ 1,193
134	Working Funds	0	0
135	Temporary Cash Investments	0	0
141	Customer Accounts Receivable	15,633	2,751
146	Notes/Receivables from Associated Companies	0	0
151	Plant Material and Supplies	0	0
162	Prepayments	0	0
174	Miscellaneous Current and Accrued Assets	0	0
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 16,626</b>	<b>\$ 3,944</b>
<b>FIXED ASSETS</b>			
101	Utility Plant in Service	\$ 109,168	\$ 109,168
103	Property Held for Future Use	0	0
105	Construction Work in Progress	0	0
108	Accumulated Depreciation - Utility Plant	(54,009)	(55,393)
121	<b>Non-Utility Property</b>	2,500	2,500
122	<b>Accumulated Depreciation - Non Utility</b>	(1,000)	(1,500)
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 56,659</b>	<b>\$ 54,775</b>
	<b>TOTAL ASSETS</b>	<b>\$ 73,285</b>	<b>\$ 58,719</b>

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 30,162	\$ 33,224
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	5,818	5,818
236	Accrued Taxes	10,251	266
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	13,438	0
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 59,669	\$ 39,308
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction	0	0
255	Accumulated Deferred Investment Tax Credits	0	0
271	Contributions in Aid of Construction	0	0
272	Less: Amortization of Contributions	0	0
281	Accumulated Deferred Income Tax	0	0
	<b>TOTAL DEFERRED CREDITS</b>	\$ 0	\$ 0
	<b>TOTAL LIABILITIES</b>	\$ 59,669	\$ 39,308
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 0	\$ 0
211	Paid in Capital in Excess of Par Value	30,026	30,026
215	Retained Earnings	(16,410)	(10,615)
218	Proprietary Capital (Sole Props and Partnerships)	0	
	<b>TOTAL CAPITAL</b>	\$ 13,616	\$ 19,411
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 73,285	\$ 58,719

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 18,322	\$ 32,113
460	Unmetered Water Revenue	0	9,082
474	Other Water Revenues	2,140	0
	<b>TOTAL REVENUES</b>	<b>\$ 20,462</b>	<b>\$ 41,195</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 320	\$ 8,400
610	Purchased Water	0	0
615	Purchased Power	1,796	2,646
618	Chemicals		
620	Repairs and Maintenance	712	11,018
621	Office Supplies and Expense	938	3,434
630	Outside Services	5,261	37,388
635	Water Testing	960	1,479
641	Rents	2,674	259
650	Transportation Expenses	27	554
657	Insurance - General Liability	229	0
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense - Rate Case	0	0
675	Miscellaneous Expense	2,261	1,438
403	Depreciation Expense	1,882	3,763
408	Taxes Other Than Income	0	1,953
408.11	Property Taxes	0	835
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 17,060</b>	<b>\$ 73,167</b>
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income	0	581
426	Miscellaneous Non-Utility Expenses	(4,069)	0
427	Interest Expense	(1,057)	0
	<b>TOTAL OTHER INCOME/EXP</b>	<b>\$ (5,126)</b>	<b>\$ 581</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ (1,724)</b>	<b>\$ (31,391)</b>

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
4-2196	5	30	10	
	5		8 5/8	

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
n/a		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = Unmetered

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
1 1/2	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
12,000	1	80	2
20,000	1		

## STATISTICAL INFORMATION

Total number of customers 72

Total number of gallons sold 3,157,154 gallons

COMPANY NAME White Hills Water Company, Inc. YEAR ENDING 12/31/2000

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 834.75

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

WHITE HILLS WATER COMPANY, INC.  
ESCROW ACCOUNT  
1050 HIGHWAY 95  
BULLHEAD CITY, AZ 86429

1069

SEP. 29 2000

94-172/1224

DATE 9-27-2000

PAY TO THE ORDER OF

Mohave County Treasurer

Eight hundred thirty four and 75/100

\$ 834 75

DOLLARS



Security Features Included. Details on Back.

5011940

NATIONAL BANK OF NEVADA  
Chicago Branch - 1775 Cass St. - Lombard, IL 60149

FOR 9-466-1100 - 1999

James E. Arthur

⑈001069⑈ ⑆⑆122401723⑆ 001⑈306553⑈

⑈0000083475⑈

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	(31,391)
Estimated or Actual Federal Tax Liability	0
State Taxable Income Reported	(31,391)
Estimated or Actual State Tax Liability	0

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	_____
Amount of Gross-Up Tax Collected	_____
Total Grossed-Up Contributions/Advances	_____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

V. David Arthur  
SIGNATURE

08-31-01  
DATE

V. DAVID ARTHUR  
PRINTED NAME

PRESIDENT  
TITLE

COMPANY NAME White Hills Water Company, Inc.

YEAR ENDING 12/31/2000

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 834.75

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

WHITE HILLS WATER COMPANY, INC.  
ESCROW ACCOUNT  
1050 HIGHWAY 95  
BULLHEAD CITY, AZ 86429

1069

SEP 29 2000

94-172/1224

DATE 9-27-2000

PAY TO THE ORDER OF Mohave County Treasurer

Eight hundred thirty four and 75/100

\$ 834 <sup>75</sup>/<sub>100</sub>

DOLLARS

5011940

<sup>1</sup>  
NATIONAL  
BANK OF NEVADA  
Casino Branch - 1775 Casino Dr. - Laughlin, NV 89029

FOR 9-466-1100 - 1999

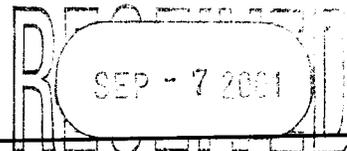
James E. Arthur

⑈001069⑈ ⑆⑆122401723⑆ 001⑈306553⑈

⑈0000083475⑈

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

ARIZONA CORPORATION  
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <b>MOHAVE</b>	<small>Director of Offices</small>
NAME (OWNER OR OFFICIAL) TITLE <b>V. DAVID ARTHUR, PRESIDENT</b>	
COMPANY NAME <b>White Hills Water Company, Inc.</b>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

**HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.**

SWORN STATEMENT

**IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:**

Arizona IntraState Gross Operating Revenues Only (\$)
\$ <u>40,671</u>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 1,953  
IN SALES TAXES BILLED, OR COLLECTED

"REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

*V. David Arthur*  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
520-754-8101  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

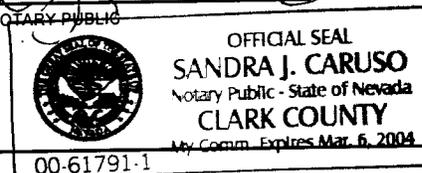
THIS 31<sup>st</sup> DAY OF

COUNTY NAME <b>MOHAVE</b>	
MONTH <i>August</i>	YEAR <u>2001</u>

(SEAL)

MY COMMISSION EXPIRES March, 2004

*Sandra J. Caruso*  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC



VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY

ARIZONA CORPORATION  
COMMISSION

RECEIVED  
SEP - 7 2001

VERIFICATION

STATE OF ARIZONA

1, THE UNDERSIGNED

OF THE

<small>Director of Utilities</small>	
(COUNTY NAME) MOHAVE	
<small>NAME (OWNER OR OFFICIAL)</small> V. DAVID ARTHUR	<small>TITLE</small> PRESIDENT
<small>COMPANY NAME</small> White Hills Water Company, Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ _____ 40,671

(THE AMOUNT IN BOX AT LEFT INCLUDES \$ \_\_\_\_\_ 1,953 IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

X V. David Arthur  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 31<sup>st</sup> DAY OF

(SEAL)

MY COMMISSION EXPIRES

March 6, 2004

<small>NOTARY PUBLIC NAME</small> Sandra J. Caruso	
<small>COUNTY NAME</small> Clark	
<small>MONTH</small> August	<small>YEAR</small> 2001

Sandra J. Caruso

<small>SIGNATURE OF NOTARY PUBLIC SEAL</small> 
<b>SANDRA J. CARUSO</b> <small>Notary Public - State of Nevada</small> <b>CLARK COUNTY</b> <small>My Comm. Expires Mar. 6, 2004</small>
00-61791-1